GOVERNMENT OF INDIA
SCIENCE AND TECHNOLOGY
LOK SABHA

UNSTARRED QUESTION NO:3390
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CII SURVEY REPORT ON BIOTECH SECTOR
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Will the Minister of SCIENCE AND TECHNOLOGY be pleased to state:

(a) whether according to survey conducted by the confederation of Indian Industry promoting investment through the venture capital is one of the biggest challenge facing the domestic biotechnology sector;

(b) if so, the details of the survey conducted by CII;

(c) whether out of estimated venture capital flow to the tune of 3 billion, only accounts for just 20% of the total fund in the country;

(d) if so, whether this is due to insufficient investment in R&D; and

(e) if so, the steps taken or being taken by Government to increase the investment in R&D to makebio-tech industry globally competitive?

Answer

MINISTER OF STATE FOR SCIENCE AND TECHNOLOGY (SHRI BACHI SINGH RAWAT)

(a), (b), & (c) : As per the report on the survey conducted by the Confederation of Indian Industry (CII), Industrial Development Bank of India (IDBI) and Industrial Credit and Investment Corporation of India (ICICI) have committed about 35% each and the nationalised banks account for less than 20% of funding for the biotech sector. There is an overall improvement in venture capital funding in biotechnology sector. The survey report of the CIIconveys that there has been a significant increase in the Government of India`s outlays for biotechnology over the past decade. The nodal agency for policy, promotion of R&D, international cooperation and manufacturing activities, in the Government i.e. Department of Biotechnology (DBT) has focussed on generating trained manpower, infrastructure development with current focus on genomics, proteomics, transgenics, stem cell research and product development. The DBT supported projects have given several products through indigenous research in agriculture, environment and health care areas, some of which are already in the market. There is an overall improvement in bio-financial landscape, dynamism of biotech sector and increased demand for bio human resources. Looking at the industrial sectoral performance, the report provides information that as many as 24% of the companies were in the agri-biotech, more than 16% in the human health including diagnostics and vaccines. The contract research is an upcoming area accounting for 18% of the companies in the biotech sector.

(d) Investment in R&D has been commensurate with priorities; there is a steady increase annually.

(e) The Ministry of Science & Technology promotes the biotech industrial R & D through various programmes instituted under the Technology Development Board (TDB), Programme Aimed at Technological Self Reliance (PATSER) and Homegrown Technology (HGT). The Department of Biotechnology is promoting the development of biotech industry with the support to R & D schemes through technology incubators, pilot projects and biotech development fund to make biotech industry competitive. Extramural research is also funded to promote biotech product and process development. Apart from this, several measures for simplification of procedures, giving rewards and incentives to industry have also been taken.